

From:
To: [Exhibits SHOUS](#)
Subject: Oppose SB 608
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January 31, 2019

Oppose SB 608

310 Pitney Lane, #23

Junction City, OR 97448

Senators:

OPPOSE SB 608

My letter is being written to **oppose SB 608** on behalf of **both community owners and especially for the residents that live in Manufactured Home Communities** in the State of Oregon. This is a very invasive bill and would not only be burdensome to the community owners but likely would have detrimental to homeowners, especially in the areas of the value of their homes and quality of their lifestyles.

Rent control is unrealistic. It reminds me of the issues in New York where building owners no longer collect enough revenue to maintain their buildings and then the government cites them of lack of upkeep. There are residents who complain about increases and yet the reality is these communities get two choices and your proposed regulations will hinder the one that most positively impacts the homeowners within the community. What happens is that **restricting increases creates a situation where funds do not keep pace with increases in the cost of maintaining and managing** these communities. Manufactured home communities are a great deal for local governments because, unlike other taxpayers, these individuals have the upkeep of their shared amenities paid for by the community owner (see reference below). The result of excessive government controls is a rundown neighborhood and homes with greatly reduced value because the cost to maintain exceeds the increases allowed.

Most communities do not have the benefit of taxpayer-funded roads, taxpayer-funded water lines within the community, no grounds maintenance to handle caring for the common areas, etc. We realize that homeowners complain about any increase, yet **the cost to care for their community DOES increase** and without sufficient funds, the infrastructure and general maintenance will suffer.

I know you hear of what might seem like a few "horror" stories regarding site rents, yet if you look at the big picture you might want to reconsider these. Have you ever considered the fact that some high increases are actually necessary? Why? **Often long-term owners do not have the rents keep pace with expenses and thus maintenance deteriorates as does the community.** When a new owner sees the condition of the community and purchases it they will need to get the homeowners up to market in order to adequately care for the infrastructure. So, what sometimes seems too much is necessary to fund needed projects and take care of deferred maintenance within a community. **What many complaining homeowners do not divulge to you are factors such as the increased value of their homes because the new owner, that had to increase rates, improved their community and they are the ultimate benefactors.**

As a family-owned business that has been developing manufactured home communities since the late 1950s, we strive to keep increases reasonable and fair in order to cover increases in taxes, maintenance, and management. A 3% annual increase is unrealistic and can't be imposed unless you can guarantee that the costs of managing and maintaining these communities do not increase by more than 3%. It is simply unreasonable and the homeowners within those communities that no longer generate sufficient revenue will see their lifestyle and the quality of their communities decline.

This bill only benefits the individuals that do not want to be good neighbors and abide by the covenants that keep the community operating well. It only benefits those who are slow to pay, unwilling to maintain their homes and the land it is on, and those who don't care if their actions

adversely affect their neighbor or home values. **We have one community in Oregon that went from home values in the \$17,000 range to those same homes now being worth \$70,000.** Funds were spent to improve roads, improve the common areas, build a kids play area, build a sports court and other general maintenance items that improved the lifestyle and resulted in much higher home values. For a complete picture, those residents who complain about increases also need to divulge their increased home values due to better care of their communities now that those increases are supporting sufficient maintenance.

What most legislators do not account for the fact that government provides fewer services to those that live in manufactured home communities and those costs must be supported by the lot/site. You can vote to restrict income, but you will only force most communities into lower levels of maintenance which creates a downward spiral.

What work is the government not doing for these homeowners who are paying taxes along with the community owner in most situations?

- Gov't doesn't repair and replace roads
- Gov't doesn't unclog storm drains
- Gov't doesn't plow snow
- Gov't doesn't maintain parks within the community
-the list goes on

SB 608 is an onerous law with onerous regulations. It ultimately hurts those who own manufactured homes in communities and the community owners, as well.

Sincerely,

Linda E. Harer – 541.998.6149

Managing Member

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